

THE PRESIDENT'S INTELLIGENCE REVIEW

ISSUED BY THE
CENTRAL INTELLIGENCE AGENCY



17 - 20 OCTOBER 1964
~~TOP SECRET~~

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20 October 1964

1. USSR Leadership: The new Kremlin team obviously intends to preside over Khrushchev's disgrace.

This aside, the new leaders are trying hard to project a business-as-usual image. Policy shifts are likely to be slow in appearing.

Party meetings are being held to explain the ouster.

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Soviet ambassadors abroad have been passing the word that the general lines of Soviet foreign policy are also unchanged. Brezhnev and Kosygin sought out Ambassador Kohler Monday to express friendly sentiments.

We doubt that the present arrangements will endure for long. Others are likely to follow the leader. Defense Minister Malinovsky, for one, looked pretty glum at the Cosmonaut reception. And, as long as figures like Podgorny are about, they will be a threat to the new team.

2. East European Reaction: Satellite leaders, who attributed the increased breathing room they have enjoyed in recent years to Khrushchev, are worried and disturbed by his fall.

They are apprehensive over what the new group means for them. They quite clearly intend to do everything they can to head off an attempt to reassert Stalinist controls from Moscow.

None of them, for example, fully support the denigration of Khrushchev.

We do not expect sweeping changes in East Europe straight away, though some satellite leaders--Zhivkov in Bulgaria for example--relied a good deal on Khrushchev's personal support.

3. The China Angle: Although the ouster of Khrushchev may well lead to careful new soundings between Moscow and Peiping, we do not expect any quick bettering of relations between the two.

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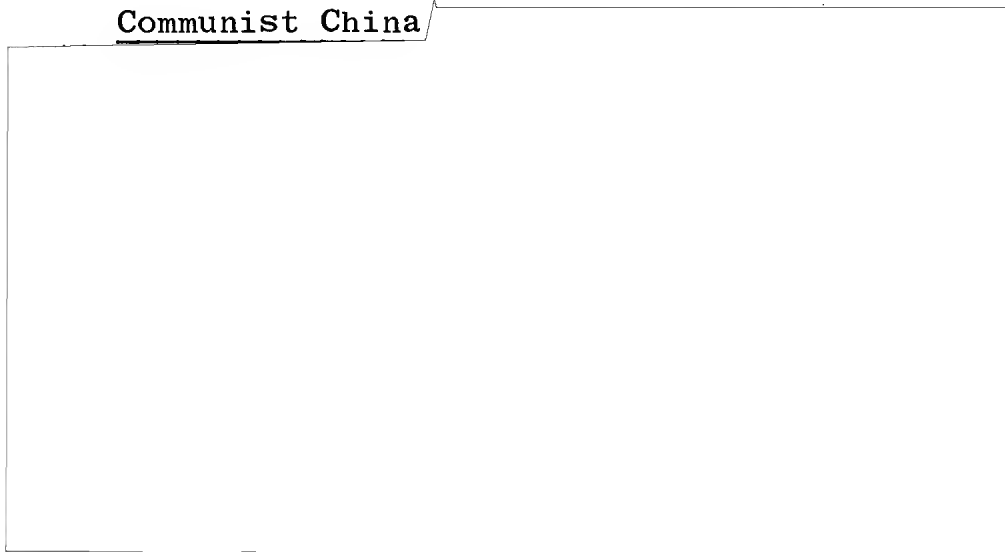
The new party chieftains in Moscow have indicated that on this subject, too, they will proceed "as hitherto." They have not, however, painted themselves into the same corner as Khrushchev had in respect to a December meeting to kick the Chinese out of the world movement.

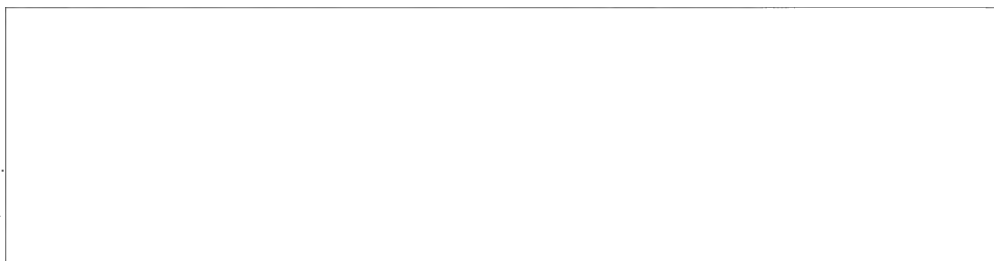
For their part, the Chinese, flushed by their successful test and the removal of a major antagonist, are showing little disposition to compromise.

Their greetings to the new group in Moscow were about the minimum the occasion required.

4. Communist China

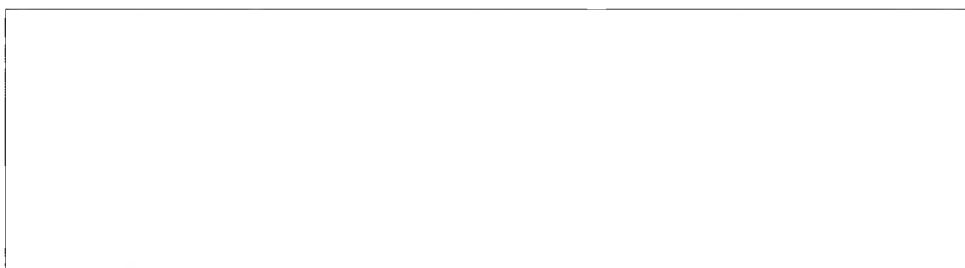
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5. Reaction to China's Test: Not surprisingly, the sharpest reaction has come from Taipei, where concern is great over the potentially demoralizing effect the test will have.



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Moscow has had little to say about the event, reporting it only in a one-sentence Tass dispatch. The European satellites have criticized the Chinese.

In West Europe there was resignation at an anticipated development. Several leaders found in it a new and persuasive reason for admitting Peiping to world forums.

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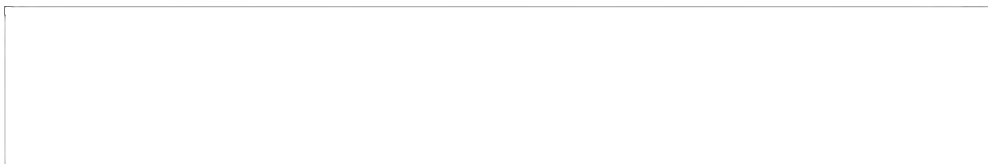
In the less developed countries, the reaction ranged from dismay to fearful respect. India and Japan saw it as a definite "threat to the peace."

Amongst Peiping's camp followers, the reaction was typified by a leader in Hanoi's party paper, "Hurrah for the Chinese."

6. South Vietnam: The High National Council has promulgated a new provisional constitution. This version replaces one they offered last week which was rejected by Khanh.

Khanh's first reaction to the present draft has been favorable, but Ambassador Taylor feels he has not had time to read and digest it. Taylor still has his fingers crossed.

If Khanh goes along, the way may be opened for the creation of a new government with Minh as chief of state, a civilian prime minister and Khanh in charge of the armed forces.



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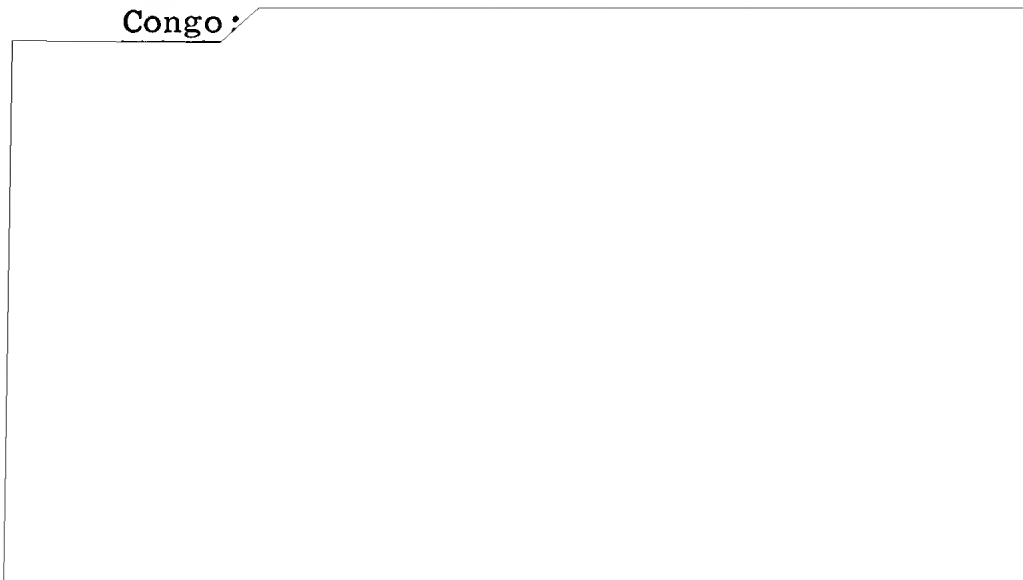
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There has been a further deterioration of the government position in the northernmost provinces. In this area the Viet Cong has extended its control eastward out the mountains into the foothills and is threatening the coastal plains. This may be the result of new infiltrations from North Vietnam.

The threat of a new montagnard uprising has receded following government concessions.

7. Congo:

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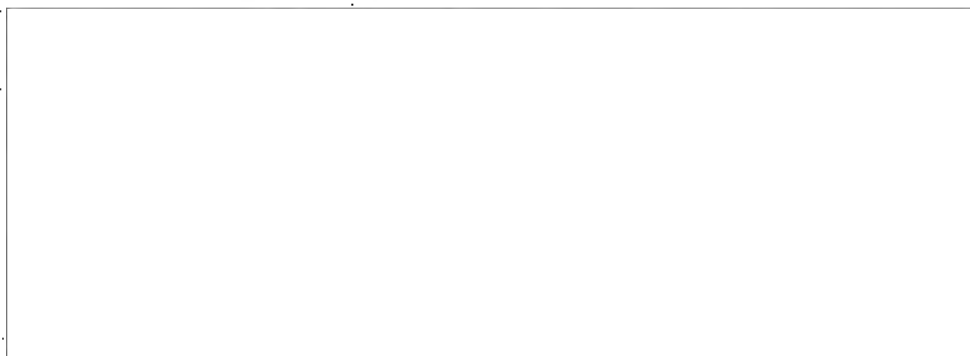
8. USSR-Turkey: Turkey's foreign minister is due to go to Moscow at the end of the month and should be the first non-bloc official to call on the new leaders.

Moscow's agreement to the visit seems aimed at dispelling any fears in the west that there will be an abrupt shift in Soviet foreign policy.

The visit will give the two sides an opportunity to discuss the Cyprus problem. We still do not think the Soviets gave Makarios much in the way of a military commitment.

The visit probably does not signal any basic change in Turkey's pro-Western orientation.

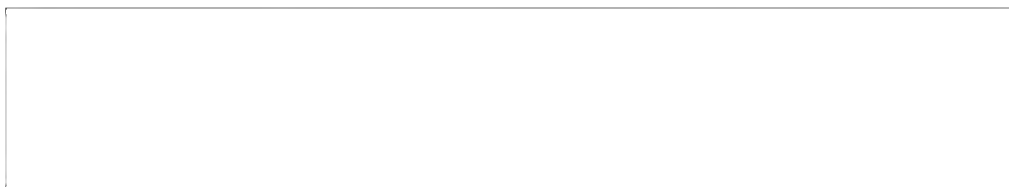
9. Turkey: There are signs that the Turkish military is getting restive again.



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Any move against the government would need the support of senior officers to be successful. So far they seem loyal to Inonu.

10. Cyprus: The situation on the island has been steady as Makarios continues to lie low waiting to present his case to the UN General Assembly. There is plenty of strain beneath the surface, however, especially between Makarios and Grivas.



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11. USSR-US: We are now fairly sure that the Navy Neptune aircraft which was damaged while over La Perouse Strait a week ago was the target of a Soviet SAM.

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12. Laos: The military situation is generally quiet, but uneasy, following a brief flareup in central Laos late last week.

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We may see more action in the coming weeks. The rains are ending. In the last four days a total of 220 Communist trucks have been spotted by our road watch teams moving toward the Plaine des Jarres, the first big spurt of this month.



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13. UAR-Iraq: Cairo considers the agreement last week to get up a "unified political command" the smallest commitment the UAR could make in the face of Iraqi pressures.

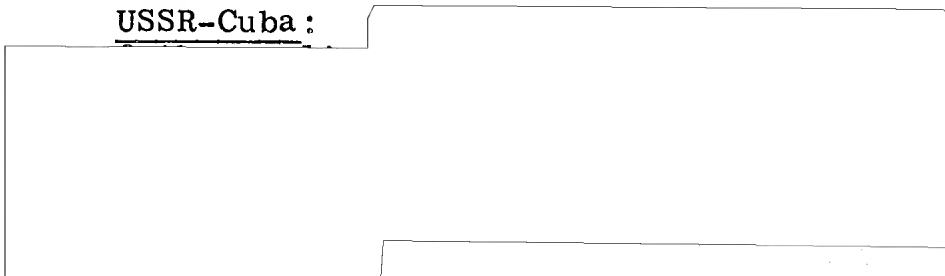
We agree. Nasir has long been unwilling to involve himself in Iraq's problems.



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14. USSR-Cuba:



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